

**IN THE CIRCUIT COURT FOR BALTIMORE CITY, MARYLAND**

**STATE OF MARYLAND**

**V.**

**SHEILA ANN DIXON**

**CASE NO:**

\* \* \* \* \*

**INDICTMENT**

The Grand Jurors of the State of Maryland for the City of Baltimore do on their oath present:

**GENERAL ALLEGATIONS**

**I. BACKGROUND**

1. From approximately 1988 through January, 2007 SHEILA ANN DIXON (hereinafter "SHEILA DIXON") was an elected member of the Baltimore City Council and served as the President of the Baltimore City Council from December, 1999 to January, 2007.

2. As an elected member of the Baltimore City Council, SHEILA DIXON was required to file certain financial disclosure reports with the Baltimore City Ethics Board pursuant to Baltimore City Code, Article 8.

3. From January 17, 2007 to present, SHEILA DIXON was, and is, the elected Mayor of the City of Baltimore.

4. As the elected Mayor of the City of Baltimore, SHEILA DIXON was required to file certain financial disclosure reports with the Baltimore City Ethics Board pursuant to Baltimore City Code, Article 8.

## **II. THE BALTIMORE CITY ETHICS BOARD FINANCIAL DISCLOSURE STATEMENT**

5. Recognizing that the representative form of government is dependent on the trust of the people in their public officials, the Baltimore City Council enacted The Baltimore City Ethics Law (Article 8, Baltimore City Code) in 1985 because each citizen of Baltimore City has the right to be assured of the impartial and independent judgment of their public officials. Article 8 of the Baltimore City Ethics Law prohibited certain conduct, including the solicitation and acceptance of gifts, and required various Baltimore City public servants, including the members of the City Council and the Mayor, to file a Financial Disclosure Statement each year, under oath, with the Baltimore City Ethics Board.

6. The Baltimore City Ethics Law required that Baltimore City public servants disclose on the Financial Disclosure Statement any gift received during the reporting period, including travel expenses, worth more than \$50 (or a series of gifts worth \$150 or more) from any person that does business with or is regulated the City.

7. A primary purpose of the yearly Financial Disclosure Forms is to disclose, monitor and deter conflicts of interest, thereby maintaining public confidence in the integrity of Baltimore's public officials. The goal of the law is to guard against improper influence or even the appearance of improper influence, and to ensure public trust in the government.

8. As a result of a revision of the Baltimore City Ethics Law, SHEILA DIXON was required to file two (2) Financial Disclosure Forms relating to 2004. One covered fiscal year 2004 and the other covered calendar year 2004.

9. From the calendar year ending on December 31, 2004 through to the present, SHEILA DIXON was required to file an annual Financial Disclosure Form with the Baltimore City Ethics Board for each respective calendar year.

10. From 2000 through to the present, the Financial Disclosure Forms filed by SHEILA DIXON with the Baltimore City Ethics Board, were required to be filed, and were filed, under oath and under penalties of perjury.

11. At all times pertinent, Ronald H. Lipscomb was the sole stockholder of Doracon Contracting, Inc. and was the sole member of certain limited liability companies, including Doracon Development, LLC, RHL Development, LLC and RHL Strathdale, LLC.

12. During calendar years 2003 and 2004, Ronald H. Lipscomb, individually, and through various corporations, limited liability companies, limited partnerships and joint ventures, including Doracon Contracting, Inc., Doracon Development, LLC, RHL Development LLC and RHL Strathdale, LLC, did business with Baltimore City and was regulated by Baltimore City.

13. During the calendar years 2003 and 2004, Doracon Contracting, Inc. did business with Baltimore City and was regulated by Baltimore City.

#### **IV. GIFT CERTIFICATE AND TRAVEL 2004**

14. On or about December 24, 2003, Dennis Cullop, Vice President of Doracon Contracting, Incorporated, acting at the direction of Ronald H. Lipscomb,



individually and as President of Doracon Contracting Incorporated, purchased a two thousand dollar (\$2,000) gift certificate at a furrier and charged the purchase to his personal credit card. Dennis Cullop was subsequently reimbursed with a check in the amount of \$2,010.23 drawn on one (1) of the corporations owned and controlled by Ronald H. Lipscomb.

15. On or about December 24, 2003, Ronald H. Lipscomb gave that gift certificate in the amount of \$2,000.00 to SHEILA DIXON.

16. On or about January 15, 2004, SHEILA DIXON used the furrier gift certificate which had been purchased on December 24, 2003 by Dennis Cullop and given to her by Ronald H. Lipscomb to buy a Persian Lamb coat and a burnt umber mink coat.

17. On or about January 23, 2004, Ronald H. Lipscomb and SHEILA DIXON met in Avon, Colorado, both staying at the Ritz Carlton Hotel. During their stay, Ronald H. Lipscomb paid for personal services incurred by SHEILA DIXON in the amount of \$232.94 which was charged to Ronald H. Lipscomb's room and later was paid using Ronald H. Lipscomb's American Express credit card.

18. Between February 18, 2004 and February 20, 2004 SHEILA DIXON and Ronald H. Lipscomb travelled together by train to New York City. Their expenses exceeded \$3,200.00, including lodging at the Trump International, travel, and meals. Those expenses were charged to Ronald H. Lipscomb's American Express credit card and paid by Doracon Contracting, Inc.

19. On or about March 12, 2004, Dennis Cullop, at the direction of Ronald H. Lipscomb, charged \$1,518.20 on his personal credit card for a United Airlines plane ticket from Baltimore to Chicago with a departure date of March 23, 2004 for SHEILA

DIXON which money was subsequently repaid to Cullop by Lipscomb.

20. On or about March 24, 2004, Ronald H. Lipscomb, while in Chicago with SHEILA DIXON, purchased meals and other items for SHEILA DIXON, including \$371.88 of various toners, brushes, facial cleansers, and moisturizers at Saks Fifth Avenue in Chicago and Coach accessories in the amount of \$150.08, which purchases were charged on Lipscomb's American Express credit card.

21. On or about March 25, 2004, SHEILA DIXON made purchases at various stores, including Saks Fifth Avenue, Giorgio, Coach and St. John Boutique in Chicago totaling approximately \$7,853.17. Those purchases were charged to SHEILA DIXON'S American Express card. The total charges placed on SHEILA DIXON'S American Express cards for the Chicago trip were in excess of \$9,500.00.

22. While in Chicago, at the request of SHEILA DIXON, Ronald H. Lipscomb gave SHEILA DIXON approximately between two to three thousand dollars in cash to help pay for her expenditures.

23. On or about Friday, April 2, 2004, between 7:30 am and 1:08 pm, three (3) calls were made between SHEILA DIXON'S cell phone and the cell phone of Ronald H. Lipscomb, the total of which lasted over ten (10) minutes.

24. On Friday, April 2, 2004, at 1:23 pm, Colleen Flack, the Comptroller for Doracon Contracting, Inc., cashed Doracon Contracting, Inc. check number 20326 in the amount of \$15,000.00, and gave the cash to Ronald H. Lipscomb.

25. During April, 2004, the exact date to the grand jury being unknown, SHEILA DIXON told Ronald H. Lipscomb she needed further help in paying for her expenditures in Chicago. Ronald H. Lipscomb then gave SHEILA DIXON

approximately between one-thousand five hundred dollars and two thousand dollars in cash.

26. On or about Friday, April 9, 2004, a \$6,000.00 cash ATM deposit was made into the checking account of SHEILA DIXON.

27. On or about April 16, 2004, American Express issued a statement for the second of SHEILA DIXON'S American Express credit cards showing a total outstanding balance of \$16,207.57 with a minimum payment due of \$7,514.00.

28. On or about May 6, 2004, while being driven from her home, SHEILA DIXON handed forty (40) one hundred dollar bills (a total of \$4,000.00 in cash) to her driver. SHEILA DIXON requested her driver deposit the money into his personal bank account and write his personal check payable to American Express in the amount of \$4,000.00 for the payment of SHEILA DIXON'S American Express bill.

29. On May 6, 2004 at 1:07 pm, SHEILA DIXON'S driver deposited forty (40) one hundred dollar (\$100) bills into his personal checking account.

30. On or about May 7, 2004, SHEILA DIXON'S driver wrote a check from his credit union bank account in the amount of \$4,000.00 payable to American Express for payment on SHEILA DIXON'S American Express account.

31. On or about May 8, 2004, SHEILA DIXON wrote a check in the amount of \$4,000.00 on her personal checking account payable to American Express.

32. On Monday, May 10, 2004, two (2) four thousand dollar (\$4,000.00) payments, or a total of \$8,000.00, were posted by American Express to SHEILA DIXON'S American Express credit card account.

33. On Monday, May 10, 2004, another \$2,000 cash deposit was credited to



SHEILA DIXON'S savings account at First National Bank (now M&T).

34. On or about November 1, 2004, the defendant, SHEILA DIXON, filed her fiscal year 2004 financial disclosure statement which failed to list any gifts from Ronald H. Lipscomb and Doracon.

35. On or about April 27, 2005, the defendant, SHEILA DIXON, filed her calendar year 2004 financial disclosure statement which failed to list any gifts from Ronald H. Lipscomb and Doracon.

36. On or about February 6, 2006, the defendant, SHEILA DIXON, amended a portion of her calendar year 2004 financial statement which amendment failed to include any gifts received from Ronald H. Lipscomb and Doracon.

37. On or about March 8, 2006, the defendant, SHEILA DIXON, amended a portion of her calendar year 2004 financial statement which amendment failed to include any gifts received from Ronald H. Lipscomb and Doracon.

**COUNT ONE**  
**(Perjury – Criminal Law Article, §9-101)**

**SHEILA DIXON'S Fiscal 2004 Financial Disclosure Statement**

38. The allegations contained in paragraphs 1-37 are re-alleged and incorporated herein by reference.

39. On or about November 1, 2004, at Baltimore City SHEILA DIXON filed and caused to be filed a document, signed under oath and under penalties of perjury, titled "Financial Disclosure Statement" for the reporting period July 1, 2003 through June 30, 2004 (hereinafter "Fiscal 2004 Financial Disclosure Statement") which Fiscal 2004 Financial Disclosure Statement was required by law to be submitted and filed with the Baltimore City Ethics Board.

40. Schedule 4, paragraphs 1-3 of the Fiscal 2004 Financial Disclosure Statement required that SHEILA DIXON identify and report her receipt of gifts, including the name of the person making the gift and the nature of the gift.

41. In response to the questions in paragraphs 1-3 of Schedule 4 on the Fiscal 2004 Financial Disclosure Statement, SHEILA DIXON reported that she had received a pass for two from the Senator Theatre which pass was rarely used. No other gifts were reported.

42. Paragraph 4 of Schedule 4 on the Fiscal 2004 Financial Disclosure Statement entitled "**Travel Expenses**" asked:

"If the gift entailed any payment for all or any part of a trip or for meals, beverages, lodging, entertainment, or other associated expenses, provide the following information for that trip:

Location: \_\_\_\_\_

Nature of Event: \_\_\_\_\_

Fair Market Value of Entire Trip: \$ \_\_\_\_\_

Amount Paid for by You: \$ \_\_\_\_\_

Amount Paid for by Person Identified in Section 1: \$ \_\_\_\_\_"

43. In response to Paragraph 4 of Schedule 4, SHEILA DIXON did not disclose any gifts and payments of travel expenses.

44. Part E of the Fiscal 2004 Financial Disclosure Statement is entitled, "SIGNATURE AND AFFIRMATION" and provides, "I, Sheila A. Dixon, solemnly affirm under the penalties of perjury that the contents (sic) the (sic) this Statement and of all accompanying Schedules are true to the best of my knowledge, information and belief."



45. On or about November 1, 2004, SHEILA DIXON did willfully and falsely make an oath and affirmation under penalties of perjury that the contents of the her Fiscal 2004 Fiscal Disclosure Statement were true to the best of her knowledge, information and belief when in truth and in fact SHEILA DIXON knew that the gifts which she had received from July 1, 2003 through June 30, 2004, including the Mano Schwarz gift certificate, her travel expenses and cash which items were paid and provided by Ronald H. Lipscomb and Doracon Contracting, Inc., were required to be reported on her Fiscal 2004 Financial Disclosure Statement, in violation of §9-101 of the *Criminal Law Article*, and against the peace, government and dignity of the State.

CJIS Code: 1-0307

Criminal Law Article 9-101

**COUNT TWO**  
**(Perjury – Criminal Law Article, §9-101)**

**SHEILA DIXON'S Calendar 2004 Financial Disclosure Statement**

46. The allegations contained in paragraphs 1-37 are re-alleged and incorporated herein by reference.

47. On or about April 27, 2005, at Baltimore City, SHEILA DIXON filed and caused to be filed a document, signed under oath and under penalties of perjury, titled "Financial Disclosure Statement" for the reporting period January 1, 2004 through December 31, 2004 (hereinafter "Calendar 2004 Financial Disclosure Statement") which Calendar 2004 Financial Disclosure Statement was required by law to be submitted and filed with the Baltimore City Ethics Board.

48. Paragraph 4 on the Calendar 2004 Financial Disclosure Statement provides:

***"GIFTS (INCLUDING TRAVEL EXPENSES) FROM PERSONS DOING BUSINESS WITH CITY***

During the *reporting period* covered by this Statement, did any of the following accept, directly or indirectly, any *significant gift* (including payment of travel expenses) from *any person* that does *business with the City* {or is regulated by or lobbies before the *City*}?

If you answer "yes" to any of these, complete and attach Schedule 4.

a. You  
☐ Yes ☐ No

b. A family member or other person at your direction  
☐ Yes ☐ No

49. In response to both questions in Paragraph 4, SHEILA DIXON checked "NO".

50. Schedule 4 attached to the Calendar 2004 Financial Disclosure Statement required SHEILA DIXON to identify all gifts received and travel expenses paid from persons doing business with the City or regulated by the City.

51. SHEILA DIXON did not disclose on Schedule 4 the identity of any person who provided her with gifts or paid for her travel during calendar year 2004.

52. Part E of the Calendar 2004 Financial Disclosure Statement is entitled, "SIGNATURE AND AFFIRMATION" and provides, "I, Sheila A. Dixon, solemnly affirm under the penalties of perjury that the contents this Statement and of all accompanying Schedules are true to the best of my knowledge, information and belief."

53. On or about April 27, 2005, SHEILA DIXON did willfully and falsely make an oath and affirmation under penalties of perjury that the contents of the her Calendar 2004 Fiscal Disclosure Statement were true to the best of her knowledge, information and belief when in truth and in fact SHEILA DIXON knew that the gifts which she had received from January 1, 2004 through December 30, 2004, including the travel expenses and the cash which were paid and provided by Ronald H. Lipscomb and Doracon Contracting, Inc. in calendar year 2004, were required to be reported on her Calendar 2004 Financial Disclosure Statement, in violation of §9-101 of the *Criminal Law Article*, and against the peace, government and dignity of the State.

CJIS Code: 1-0307  
Criminal Law Article 9-101

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Robert A. Rohrbaugh  
State Prosecutor